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Integration segment

Summary record of the 26th meeting

Held at Headquarters, New York, on Tuesday, 9 May 2017, at 3 p.m.

President: Mr. Munir (Vice-President) (Pakistan)

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In the absence of Mr. Shava (Zimbabwe), Mr. Munir (Pakistan), Vice-President, took the Chair.

The meeting was called to order at 3.05 p.m.

Agenda item 8: Integration segment (continued)

Panel discussion: "Policy instruments for an integrated approach to poverty eradication"

1. **Mr. Reddy** (Associate Professor of Economics, New School for Social Research), moderator, said that it was too often the case that causal interdependencies between different aspects of development were discovered after the fact. Examples included the connection between child mortality and fertility rates, and the relationship between education of mothers and child health. In an age where expertise was often devalued, it was important to recognize how awareness of such links could enhance the design of policies and the deployment of instruments. At the same time, it was important for such policies and instruments to be rooted in democratic consensus.

2. **Ms. Angell-Hanson** (Permanent Representative of Norway to the United Nations Office at Vienna; and Chair of the Commission on Narcotic Drugs at its sixtieth session), panellist, said that a good example of causal interdependency was the link between poverty and drugs, which had been highlighted at the sixtieth session of the Commission on Narcotic Drugs, held in Vienna in March 2017. That event had been a milestone in following up the special session of the General Assembly on the world drug problem held in April 2014.

3. In 2015, some quarter of a billion people had used drugs, and 29 million had suffered from drug disorders. Criminal profits from drugs were over \$2 trillion – some \$28 billion in the Western Balkans alone. Those funds allowed the drug dealers to buy judges, police officers and politicians, posing a formidable obstacle to progress. The nexus of drugs, transnational organized crime and terrorism would be the topic of the next World Drug Report to be published in June 2017.

4. Poverty and social disadvantage were high risk factors for drug use. Women were particularly vulnerable, but often avoided getting help out of fear of losing their children. There was a relatively high incidence of HIV-AIDS and hepatitis among drug users. She noted a recent report from Belarus that showed clearly that gearing HIV-AIDS measures towards the drug-injecting population produced measurable results.

5. Anti-drug efforts were badly underfunded. UNODC had been forced to close some of its projects in prisons, and was only able to respond to a fraction of the financing requests it received. Almost one third of anti-drug financing in developing countries was provided by the countries themselves. The Council could play a pivotal role in enhancing cooperation among agencies in to make more resources available.

6. **Mr. Kirkpatrick** (Director, United Nations Global Pulse), panellist, accompanying his remarks with a digital slide presentation, said that Global Pulse was trying to harness big data in the service of development goals. In recent times, a data revolution had been produced by the ubiquity of digital technology and social media, which allowed people to generate huge amounts of useful data simply by going about their lives.

7. Vast amounts of data on population movements could be harvested by tracking mobile phones, which could be used, inter alia, to identify areas at risk for the spread of disease. It had also been discovered that spending on mobile phone credits tracked overall household consumption with almost 90 per cent accuracy. Data on food price rises could be gleaned from complaints posted on Twitter. Pockets of poverty could be identified by software that used satellite photographs to distinguish between areas where relatively inexpensive thatched rooves were common and areas where more expensive metal roofing materials were used. After Hurricane Odile struck the west coast of Mexico, dips and rises in credit card transactions were used not only to measure economic impacts but also to gauge recovery rates in different areas. Even where large numbers of people were not online, there were ways to harvest data. For example, analysis of the frequency of certain words and phrases used on talk radio in Uganda had proven useful in identifying people's concerns.

8. Many large companies used data mining for commercial purposes, but many were also willing to put their data to use in the service of the Sustainable Development Goals. Much like nuclear energy, big data could be used for good or ill. He stressed that Global Pulse worked only with anonymized data. It was essential to keep personal information separate from useful data. Regulation had not yet caught up with the power of big data. A better understanding of the uses and implications of big data was needed to make the best use of data without sacrificing privacy.

9. **Ms. Elhelaly** (Former Director-General, Social Fund for Development; and Managing Director, Amwal Financial Investments, Egypt), panellist, accompanying

her remarks with a digital slide presentation, said that poverty was the deadliest weapon of mass destruction. In Egypt, one third of people were classified as poor. They depended on social safety nets to meet their basic food and housing needs. Following the model used in Brazil, Egypt's Ministry of Social Solidarity had applied the principle of conditionality to cash transfers for schoolchildren and child health. Other social protection programmes, notably those targeted at the elderly and persons with disabilities, were unconditional. Social safety net programmes were mindful of the goals of financial inclusion and women's empowerment.

10. Labour-intensive public works project that provided temporary jobs could be helpful. However, microfinance was the key to poverty alleviation and job creation. Transferring economic enterprises from the informal sector to the formal sector had great potential to contribute to a country's gross domestic product. The United Nations played a major role in creating public-private synergies and promoting corporate social responsibility. Developing countries needed more assistance from developed countries in order to realize the goal of leaving no one behind.

11. **Mr. Sultan-Khan** (Chairman, Aga Khan Rural Support Programmes Network, Pakistan), panellist, said that his organization had improved the lives of hundreds of millions of poor people. The key to its success was interaction with local communities. Pre-packaged blueprints for development often had nothing in common with what communities wanted. Local variations demanded consultation and dialogue at the household level in order to unleash the potential that already existed.

12. As early as 1991, the South Asian Association for Regional Cooperation had recommended that social mobilization should be the centrepiece of all poverty reduction strategies, and had cited his organization as a model. The existing political and administrative pillars of the State did not have the capacity to reach down to the community level. For that, a third socioeconomic pillar needed to be activated to organize neighbourhoods and villages. Donors and non-governmental organizations did not have the resources to do that by themselves; robust Government financing was necessary. A good example was provided by development initiatives in the Indian State of Andhra Pradesh, where the Indian Government's National Rural Livelihood Mission had provided an outlay of over \$5 billion. Involving local communities was a time-tested tool that was essential to the success of development assistance programmes.

13. **Mr. Ríos Sánchez** (Observer for Mexico), welcoming the presence on the panel of the Chair of the Commission on Narcotic Drugs at its sixtieth session, said that the participation of Vienna-based United Nations bodies in discussions of the General Assembly and the Economic and Social Council would help to break down silos. The special session of the General Assembly on the world drug problem in 2016 had provided a new paradigm for the international community to address that problem by taking into account human rights considerations and the gender perspective. That paradigm should form the basis for multilateral dialogue on the question in the future. It would also be important to establish links between multilateral drug policies and the 2030 Agenda for Sustainable Development and to use appropriate statistical data and indicators to address the social aspects of the issue. In that connection, his country's National Institute of Statistics and Geography was working with the United Nations Office on Drugs and Crime to develop a conceptual framework that would provide a modern and progressive understanding of the issues associated with the world drug problem.

14. **Ms. Elhelaly** (former Director-General, Social Fund for Development; and Managing Director, Amwal Financial Investments, Egypt), in response to a question from the President concerning the comparative advantages of microfinance programmes and direct cash transfers, said that those initiatives were aimed at distinct populations. Unconditional cash transfers were intended for senior citizens and persons with disabilities who were unable to work. Conditional cash transfers were designed to promote development in a number of ways, such as by providing an incentive for parents to send their children to school or take them for medical check-ups. In contrast, microfinance and entrepreneurship programmes were job creation initiatives. Microfinance programmes were aimed at helping people, in particular women heads of household, to increase their household income. Such programmes had a particularly significant impact on women living in rural areas. Programmes to promote entrepreneurship, which generally involved the provision of loans, technical assistance, business advice and opportunities to develop business skills, were geared more towards youth. They were an extremely useful tool in her country, where the number of young people graduating from university each year far outweighed the number of existing jobs available to them in the private and public sectors.

15. **Mr. Kirkpatrick** (Director, United Nations Global Pulse), said that there was a significant but unexplored opportunity to use data produced as a

by-product of the use of electronic cash transfer services to identify risks that could undermine development projects. For example, it would be possible to use such data to examine the relationship between drought and microfinance loan defaults. Big data could also provide an insight into the effectiveness of cash transfers in different communities. For instance, comparing how much mobile phone credit persons in a particular community had before they started receiving cash transfers and after they had been receiving them for some time could indicate whether or not they were financially better off. Partnerships with the private sector would be required to make sure that such data was accessed in a safe and responsible manner.

16. **Ms. Angell-Hansen** (Permanent Representative of Norway to the United Nations Office at Vienna and Chair of the Commission on Narcotic Drugs at its sixtieth session) said that social protection was key to preventing drug abuse, in particular for young people, men, migrants and refugees in protracted situations. With regard to drug production, initiatives involving the private sector to promote the cultivation of alternative crops were already in place in countries such as Colombia. It was important to note that abuse was not the only aspect of the drug problem. Too little attention was given to the situation of the millions of people in developing countries who were dying of cancer and other painful diseases without access to basic opioid pain medications.

17. **Mr. Sultan Khan** (Chair, Rural Support Programmes Network, Pakistan) said that social mobilization was the first step towards helping people lift themselves out of poverty. Members of the community were best placed to know what they needed to improve their situation. Arrangements such as community-based revolving investment funds, whereby the group of participants agreed on the contribution that each household would make and jointly assessed the feasibility of plans based on their intimate knowledge of the local context, were more effective than microfinance programmes for some populations, in particular those with very low incomes to whom the interest payable on a microfinance loan would seem very high. Cash transfers alone were not an effective means of poverty eradication. His country's income support programme paid out billions of rupees to 5.3 million beneficiaries every year, but 85 per cent of that cash was spent on consumable goods. It was much more effective to provide people with the means to lift themselves out of poverty by linking cash grants to microinvestment plans.

18. **Mr. Kirkpatrick** (Director, United Nations Global Pulse), said that while the data needed to achieve the Millennium Development Goals had been produced by Governments, owned by Governments and used by Governments, the data that would be required to achieve the Sustainable Development Goals was produced by the general public, often without their knowledge, collected in real time by machines and owned by corporations. That was a very fragmented landscape in which to implement a challenging agenda in a rapidly changing world. It would be necessary to make it easier to share data and to build national capacities to use that information. Data should be used not simply to measure progress but also as a basis for adapting policies to improve results. To that end, policies should become more flexible, agile, adaptive and responsive to new information.

19. *A short video on the Egyptian organization Amwal Financial Investments was shown.*

20. **Ms. Elhelaly** (former Director-General, Social Fund for Development; and Managing Director, Amwal Financial Investments, Egypt) said that social safety nets were essential for eradicating poverty. The optimization of synergies and complementarities within the United Nations system, the provision of official development assistance to developing countries and measures to ensure that no one was left behind were also important.

General debate (continued)

21. **Mr. Liu Jieyi** (China) said that the international community should step up its efforts to implement the 2030 Agenda in a number of areas. All actors, including the United Nations and the World Bank, should work together to optimize the global development partnership, enhance North-South and South-South cooperation and increase the urgency of poverty eradication efforts. Furthermore, cooperation on poverty reduction and development should be strengthened by focusing on win-win cooperation. That would involve supporting developing countries by taking into account their financing needs, providing the promised official development assistance, enhancing capacity-building, providing debt relief and facilitating their access to markets. The international community should support developing countries in following their chosen paths to development and help them use their own national resources for development by providing them with assistance in the areas of industry, agriculture, human resources, green energy and environmental protection, as appropriate. The international development environment should be improved through the establishment and maintenance

of an open world economy, a fair, equitable, inclusive and orderly global economic and financial system and an enabling external environment for developing countries.

22. Over the past three decades, his country had established its own path towards poverty reduction. Its economic and poverty-reduction policies had resulted in economic growth and drastically decreased poverty rates. That progress had been achieved as a result of the strong leadership role played by the Government, the inclusion of poverty reduction as part of the national development strategy and efforts to enhance the development capacity of persons living in poverty. His country's development strategy was based on a whole-of-society approach involving the Government, the people and the market. It included policies to support rural areas and the agricultural industry in general and policies specifically targeting the poor. Measures had been taken to support production and employment, provide relocation and resettlement assistance and reduce poverty through ecological protection and education. As a result of his Government's efforts, the number of people living in poverty in rural areas had been reduced by more than 700 million and now stood at around 43 million. By 2020, no one in China would be living in poverty.

23. China had been supporting international development for over 60 years. It had provided nearly 400 billion yuan to 166 countries and international organizations, sent more than 600,000 aid workers abroad and provided medical assistance to 69 countries. It had also unconditionally cancelled a significant amount of debt owed by heavily indebted poor countries and less developed countries. In 2015 his Government had announced its plans to establish an assistance fund for South-South cooperation, increase its investment in less developed countries to \$12 billion by 2030 and implement projects in the areas of poverty eradication, agriculture, trade facilitation, training and education. His country stood ready to work with the international community to bring about universal development and eradicate poverty.

24. **Mr. Chandrtri** (Observer for Thailand) said that it was crucial for Governments to recognize the multidimensional nature of poverty, which included a lack of employment, opportunities and the inability to access to basic services, in order to combat poverty in a comprehensive and effective manner. His Government had mainstreamed poverty eradication in its 20-year national economic and social development strategy. Its policies and programmes included measures to provide assistance and subsidies for the

poor, create jobs, promote sustainable land ownership and provide social services such as housing, education and health care, with a focus on persons with disabilities, the elderly and other vulnerable populations. Disaster risk management programmes were also in place. As a result of those initiatives, the number of people living in poverty in the country had fallen from 57 per cent in 1990 to 10.5 per cent in 2014.

25. Achieving poverty eradication would require transforming not only systems, but also mindsets. For four decades, his country had been implementing an approach that had helped people escape the cycle of poverty by teaching them to follow the principles of moderation, resilience and reasonableness, guided by knowledge and moral considerations. His Government was already sharing its approach with interested States in the region and was eager to share it with the international community more broadly. It remained committed to working with all stakeholders in efforts to eradicate poverty around the world by 2030.

26. **Mr. Ntonga** (Zimbabwe) said that poverty eradication was the greatest challenge of the times. In addition to its commitments under the various global instruments and the African Union's Agenda 2063, his Government had adopted a national agenda for sustainable socioeconomic transformation structured around four pillars: food security and nutrition; social services and poverty eradication; infrastructure and utilities; and value addition and beneficiation in productive sectors.

27. Achieving global, regional and national development goals would require integrated policies to address the multifaceted and multidimensional nature of poverty. Sustainable Development Goal 1, on poverty eradication, could not be achieved unless the vast majority of the other Goals were also achieved. Governments must demonstrate strong leadership and transparency in their utilization of national resources. The approach to development should be inclusive, involve strategic and multi-stakeholder partnerships and place an emphasis on improving education, putting an end to the informal labour market, eliminating hunger and malnutrition, establishing social safety nets, mainstreaming the gender perspective and empowering women and girls. The economies of developing countries must be made less susceptible to boom and bust cycles resulting from fluctuating commodity prices by maximizing the potential of those countries' natural resources and agricultural potential. At the organizational level, the quadrennial comprehensive policy review process should be aligned with national efforts. More broadly, it was

important to make sure that the United Nations development system and other United Nations entities were fit for purpose. He hoped that efforts were underway to locate the vast amounts of resources currently invested in low-return bonds, which had been mentioned during the high-level Sustainable Development Goals Financing Lab, so that developing countries could benefit from those funds.

26. Mr. Mikheyeff (Observer for Azerbaijan) said that extreme poverty was an affront to human dignity. With more than 800 million people still living in extreme poverty and 20 million currently facing starvation, there was no excuse for inaction or indifference. His country had recently pledged to make financial contributions to four countries facing famine. However, while funding was necessary to mitigate the crisis, the only way to end such suffering in the long term was by ending the armed conflicts that were its underlying cause.

28. General Assembly resolution 71/245 on the quadrennial comprehensive policy review provided solid guidance on aligning the work of the United Nations development system with national efforts to implement the 2030 Agenda. His delegation also welcomed the plans to align the work of the General Assembly with the Agenda.

30. The overarching aim of his country's economic policy was to improve the socioeconomic situation its citizens. His Government had incorporated the Sustainable Development Goals and the related targets in its national plans and strategies and established a National Coordination Council on Sustainable Development. It had diversified the national economy by building industrial parks in different regions of the country, increasing public spending on agriculture and other rural economic activities, creating sustainable and decent employment opportunities, promoting entrepreneurship, introducing social protection for low-income families and building or renovating 3,000 schools and 600 hospitals and health centres. Furthermore, 250,000 internally displaced persons had been provided with homes as part of an ongoing programme. As a result of those efforts, poverty and unemployment were in decline. His country was committed to implementing the Sustainable Development Goals and eradicating the scourge of poverty.

The meeting rose at 3 p.m.